

7-1942  
Charlotte, N. C., Post  
September 19, 1942

## Negro Bankers To Help Push Wartime Food Production

Desiring to help push wartime food production, Major R. R. Wright, Sr., president emeritus of the National Negro Bankers Association, is sending a circular letter to member bank presidents, urging them to cooperate fully with farmers and 4-H club youths, the U. S. Department of Agriculture said today.

The Department was informed of Major Wright's efforts in the Food-for-Freedom program when Secretary of Agriculture Claude R. Wickard received a letter from the banker containing a copy of the circular.

Major Wright pointed out in the letter to the bankers that production of food, feed, fiber and other agricultural commodities is as essential to victory as tanks, guns and planes.

Citing examples of how some bankers are cooperating with Negro 4-H club members by making financial aid available for pig, calf, and poultry projects, he suggested that Negro bankers adopt a more definite policy for helping Negro farm youths. He also urged them to cooperate with farmers and agricultural workers.

Department officials said that the step taken by Major Wright is doubly significant, because 10 of the 11 member banks are in the South where 98 percent of all Negro farmers are located.

The 10 bank presidents whom Major Wright is writing are W. C. Sheffield, Citizens Savings Bank and Trust Company, Nashville, Tenn.; L. D. Milton, Citizens Trust Company, Atlanta, Ga.; E. C. Burke, Consolidated Bank and Trust Company, Richmond, Va.; W. P. Dickerson, Crown Savings Bank, Newport News, Va.; J. W. Taylor, Danville Savings Bank and Trust Company, Danville, Va.; W. M. McDonald, Fraternal Bank and Trust Company, Fort Worth, Texas; Jesse H. Mitchell, Industrial Bank, Washington, D. C.; C. C. Spaulding, Mechanics and Farmers Bank,

Durham, N. C.; E. A. Walker, Tradesmens National Bank, Oklahoma City, Okla.; and E. A. Adams, Victory Savings Bank, Columbia, S. C.

The eleventh bank is the Citizens and Southern Trust Company of Philadelphia, Pa., of which Major Wright is president and founder.

Journal and Guide  
Norfolk, Virginia

## New Orleans Bank Lends Funds To Mound Bayou Cooperative

MOUND BAYOU, Miss., (ANP)  
—Mound Bayou Gin Association, recently secured a loan from the New Orleans Bank for Cooperatives to help the association acquire cotton gin facilities.

The association is unique among the bank borrowers in that its membership consists entirely of Negroes.

Mound Bayou itself is populated wholly by colored people and only a relatively few whites live in the surrounding area. This section is exclusively agricultural, cotton being the principal cash crop.

### HAS 48 MEMBERS

The cooperative has 48 members, whose average production of cotton is 1,330 bales. They have paid in a total of \$2,338.83 in cash and have subscribed an additional \$570.

The association has nine directors, all of whom are land owners, leaders in the community, and well spoken of as to their honesty and integrity.

The facilities of the association are considered to be the best in that locality, and the New Orleans Bank for Cooperatives has indicated its confidence in the future success of the cooperative.



7-1942

New York ~~Age~~

New York, N. Y.

# NEGRO BANKS SHOW BIG INCREASE IN ASSETS

**THE RAPID GROWTH** of banking institutions owned and operated by Negroes is reflected in the 1941 Bank Report prepared by Emmer Martin Lancatser adviser on Negro affairs, United States Department of Commerce, and made public last week. This increased activity among banking institutions is attributed to sound business acumen and favorable economic conditions, stimulated by the war economy.

Aggregate deposits reached a total of \$7,509,405, as compared with \$6,258,894 for the preceding year, a gain of \$1,250,511. Total resources rose to \$8,636,543 as against \$7,404,475 for the year 1940, an advance of \$1,232,068; and security investments showed an increase of \$321,090 over 1940.

There are now eleven banking institutions owned and operated by Negroes. The largest of these is the Mechanics and Farmers Bank of Durham, N. C., which has total assets of \$1,559,702. Close second is the Industrial Bank of Washington, D. C., with assets of \$1,520,333. Also in the million dollar class is the Consolidated Bank and Trust Company of Richmond, Va., with assets of \$1,242,636. The Citizens Southern Bank and Trust Company of Philadelphia is nearing the million dollar class with total assets of \$987,059.

The state of Virginia leads all other states in the number of banks—three—and the small city of Danville, Va., boasts the oldest financial institution in the state, a savings bank and trust company with assets of \$483,454.

Conspicuous by their absence from the list are such large industrial centers as New York, Chicago, Pittsburgh and Cleveland.

We repeat, the best way to provide job opportunities for our children is through establishing businesses of our own.

Pittsburgh Courier  
Pittsburgh, Pa.

GENERAL

## SOUTHERN SAY-SO OF NEGRO BANKS IN THE UNITED STATES

BY M. S. STUART

SEP 12 1942

SEP 12 1942

If you saw a man starting at the top to try to build a chimney, right away you would think that he had just escaped from a mental junk yard. But some well-meaning white friends of the Negro, trying to lay down a foundation for race economy, seem to have attempted something almost as impractical, even before the release of the Eman-

cipation. In 1864, General Banks established in New Orleans, La., what was the first bank "for Negroes"; but not the first Negro bank...and thus began a movement to establish similar institutions in other parts of the country.

But you wonder why they thought

banks a first necessity before there were any Negro systems of commerce to support them or for them to accommodate. Demands for banks arise in communities when business activities create the need for centers of exchange and for depositories to receive and keep surplus savings at work.

But these thrifty Yankee friends wanted the Negro soldiers to save something out of their earnings. Probably anticipating the early liberation of the slaves, they visualized the great value of even small sums upon which to begin life in a new world of liberty. Moved by this noble desire, they overlooked the fact that banks cannot long operate successfully on savings alone. They must have opportunities for exchange and investments of the funds entrusted in their hands.

**OTHER** financial units similar to the one at New Orleans were set up at Norfolk, Va., and Beaufort, S. C., none of these apparently being intended to serve permanently as peace-time institutions, but only as depositories for the Negro soldiers.

### FREEDMEN'S BANK AND TRUST COMPANY

But the Freedmen's bank was established upon such an elaborate scale as to leave no doubt that its sponsors intended it to play a major part in "priming the pump" of the infant racial economy of the freedmen.



A bill to incorporate it was introduced into the Senate February 13, 1865, and almost immediately a similar bill was introduced into the House. President Lincoln signed the bill March 3, 1865, saying: "This is just what the freedmen need."

**THIS** bank prospered for a time. Branches were set up in the following places: Beaufort, S. C.; Huntsville, Ala.; Memphis, Tenn.; Louisville, Ky.; Nashville, Tenn.; Wilmington, N. C.; Washington, D. C.; Vicksburg, Miss.—all of these in 1865. In 1866: In Augusta, Ga.; Baltimore, Md.; Charleston, S. C.; Jacksonville, Fla.; Tallahassee, Fla.; Mobile, Ala.; New York, N. Y.; Savannah, Ga.; New Bern, N. C.; New Orleans, La.; 1868: In St. Louis, Mo.; Raleigh, N. C.; Macon, Ga.; 1869-70: In Chattanooga, Tenn.; Atlanta, Ga.; Columbus, Miss.; Lexington, Ky.; Little Rock, Ark.; Montgomery, Ala.; Natchez, Miss.; Philadelphia, Pa.; Shreveport, La.; 1871-72: Columbia, Tenn., and Lynchburg, Va.

Coming from domestics, day laborers, servants, washerwomen and others of the Negro working classes, the deposits reached a peak of \$57,000,000 in the last years of its operation; and its assets attracted Washington speculators, which, with other difficulties growing out of its peculiar racial nature, soon caused its downfall. The Freedmen's Savings Bank and Trust company closed its doors in June, 1874, paying its depositors 30 per cent, and the liquidators \$318,753 for their services, according to DuBoise. Another authority says the depositors received 62 per cent.

### OTHERS OF LONG AGO ARE ALSO REVIEWED

During the next 14 years, no other Negro bank was attempted, so far as is known. On October 17, 1888, the Capital Savings Bank, of Washington, D. C., was established. It lasted 16 years. The True Reformers, a giant fraternal order, of Richmond, Va., established a bank March 2, 1888. It operated 22 years. The next year the Mutual Bank and Trust company of Chattanooga, Tenn., was projected. It did not survive the financial panic of 1893.

**NEXT** came the Alabama Penny Savings Bank of Birmingham, with Dr. Pettiford as president, and starting in 1890, it enjoyed a prosperous career during the next quarter of a century. Since that time many others have been organized. During the first 15 years of this century there were a dozen race banks in Mississippi alone. Jackson and Vicksburg had two each; and both of those in the former paid all depositors in full within a short time after closing, neither one being insolvent. One quit business voluntarily because it was not making sufficient profits, and the other was forced out by a State law.

### JIM CROW IN MONEY CAME ALONG IN 1914

About 1914 the State of Mississippi passed its "Banking Guarantee Law," under which all banks in the State were taxed to provide a fund out of which depositors of failing banks were to be paid. That law linked all the banks together in a sort of mutual guaranty league, every bank in it being to an extent responsible for all others, since the tax could be increased as became necessary to liquidate the obligation of insolvent units. They avowedly did not want any Negro bank in that league, and before the effective date of the law, they examined and closed all race banks in the State except one—The Delta Penny Savings of Indianola. Three times they laid down for it requirements admittedly far more difficult than for any white bank. Each time the directors surmounted the increased difficulties. Their bank was admitted only when it would have been too obviously ridiculous not to have done so.

**IN** all, Negroes in the United States have organized about 137 banks. For a variety of reasons, most of them have ceased to operate. Yet, if you bear in mind that Tennessee alone in the past 18 years, 225, about half the white banks have closed their doors, then in comparison, the banking picture of American Negroes does not appear too bad.



7-1942

Daily World  
Atlanta, Georgia

NATIONAL NEGRO BANKERS ASSOCIATION

# National Negro Bankers To Begin Two-Day Meet Today

7-9-1942  
National Negro Bankers Association will begin a two-day session this morning in the exhibition room of Atlanta University. Citizen Trust Company of Atlanta will be host.

Following registration this morning at 9:30 o'clock, the group will be called to order by Major R. Wright, Sr., president of Citizens and Southern Bank and Trust Company, Philadelphia. Major Wright is president of the association.

E. M. Martin, secretary of the Atlanta Life Insurance Company, will welcome the delegates, and M. C. Martin, secretary of the association, and cashier of Danville Savings Bank and Trust Company, Danville, Va., will give his report.

7-9-1942  
The treasurer's report will be made by R. L. McDougald, vice president of Mechanics and Farmers Bank, Durham, N. C.

## SEMINAR TO BE HELD

A seminar on economics will follow.

Discussion leaders for the first seminar will be Prof. William H. Dean, professor of economics, Atlanta University, and J. H. Wheeler, cashier, Mechanics and Farmers Bank, Durham, N. C.

Committee appointments and luncheon will follow.

At the afternoon session, starting at 2:30 o'clock, a seminar on credit administration and investment procedure will take place. Discussion leaders will be Joseph E. Burney, president of Morris Plan Bank of Georgia, and F. E. Taylor, Jr., investment manager of Fulton National Bank of Atlanta.

Recreation and sight-seeing will hold interest of the delegates this evening from 5 o'clock to 9 o'clock. A smoker for visitors is scheduled to start at 9 p.m.

## PRESIDENT'S ADDRESS FRIDAY

Major Wright will deliver the annual address of the president Friday morning, at 9:30 o'clock.

A third seminar on bank operations will follow with J. B. Blay-

ton, vice president of Citizens Trust Company, Atlanta, and Jesse H. Mitchell, president of the Industrial Bank of Washington as discussion leaders.

The fourth seminar on government and banking in the new era will start at 2:30 o'clock Friday. Discussion leaders will be Emmer J. Lancaster, adviser on Negro Affairs, U. S. Department of Commerce, and representatives of the regional offices of the RFC, FDIC and FHA.

Election of officers and report of committees will follow.

Daily World  
Atlanta, Ga.

## The Bankers Meet

Atlanta was host the past week to National Negro Bankers' Association. Business men from many sections of the country converged on this city to attend this meeting. While the sessions were principally of a technical business nature, they attracted wide attention of the laymen who are gravely concerned about the nation's economic and financial structure. In that there was a general interest manifested in the meeting.

The banks are the bulwarks of our nation. No longer is a bank looked upon as a huge cold structure for the depositors of money and big interest and men able to borrow large sums and post valuable collateral. They are social institutions, advisers to small as well as big business interest and individuals. They have been on the front in this economic and industrial struggle showing the way out. They have guided many a business and individual to success that otherwise would have gone the way of bankruptcy.

They have stood shoulder to shoulder with the nation in reclaiming the country in the depression and holding up its arms in this gigantic struggle.

When the struggle and the fury is over the banks will be accorded first place among the brave defenders of our national faith.

We were proud to see the fine financial executives on our streets.



7-1942

TENNESSEE

Globe and  
Independent

Nashville, Tenn.

## ACTIVE MEMBERS IN THE ORGANIZATION

Vocations Pursued by  
Some of the Stockhold-  
ers of the Citizens Sav-  
ing Bank and Trust Co.

JAN 23 1942

There is not a profession, an  
industry, a vocation, not even the men-  
tal kind but where there are stock-  
holders in the Citizens Savings  
Bank and Trust Company. Tiller  
of the soil, stockraisers, poultry  
dealers, fruit growers and every  
kind of farmer can be listed as a  
stockholder. Public service individ-  
uals, whether they are house maids,  
cooks, chauffeurs, nurses, bed boys,  
waiters, or red caps. Some of them  
are stockholders in the Bank. Col-  
lege Presidents are stockholders.  
Public school teachers are among  
the stockholders. Lawyers, doctors,  
dentists, registered nurses are stock-  
holders. Merchants of every descrip-  
tion are stockholders. Theatrical  
managers and play house owners are  
stockholders. Ministers of the gos-  
pel of practically every denomina-  
tion are stockholders. Railway pos-  
tal clerks, pullman porters, dining  
car waiters, regular train porters  
are among the stockholders. Edi-  
tors, writers, publishers, printers  
are stockholders. Taxi cab owners  
and drivers are stockholders. Pack-  
ing house workers and stock yard  
employees are stockholders. Freight  
handlers, brick masons, rock masons,  
painters, wall paper hangers, house  
decorators, window cleaners, boot  
blacks, tonsorial artists and bar-  
bers. "In fact," said the President  
in discussing the situation, "Every  
kind of individual vocation carried  
on here in this city delight in ac-  
cepting the services offered by the  
Citizens Savings Bank and Trust  
Company at the corner of Fourth  
Avenue, North and Cedar St."



7-1942

## Journal and Guide Norfolk, Virginia

### Newport News Bank at Million Dollar Mark

**A**NNOUNCEMENT last week that the Crown Savings Bank of Newport News, Va., has resources of over \$1,000,000 emphasizes anew the favorable existing opportunities for business enterprise and economic achievements by the race in vital defense areas such as that wherein this progressive institution serves constituents of all races.

The achievement of the Newport News bank retains for Virginia the leadership in control of banking wealth among Negroes of the nation, approximately \$3,000,000 being divided between the Consolidated Bank and Trust Company of Richmond, whose resources are also well over the million dollar mark, Crown Savings Bank and the Danville Savings Bank and Trust Company of Danville. Another formidable banking institution owned and controlled by the race is the Mechanics and Farmers Bank of Durham, N. C.

It is not amiss to recall that of the more than 10,000 banks in the United States which failed between 1920 and 1934, sixty-four were owned and operated by the race. Between 1925-1926 we operated 73 banks in 19 states and the District of Columbia, with a combined capital of \$6,250,000, and an annual business volume of \$100,000,000.

The depression which followed dislocated and seriously undermined the entire financial foundation of American banking. Out of the debris, 14 banks operated by Negroes survived—three in Virginia, two in South Carolina, two in Georgia, and one each in Pennsylvania, the District of Columbia, Alabama, North Carolina, Tennes-

see, Texas, and Oklahoma.

The worth of these banks to their racial constituents is best evaluated by the fact that wherever they exist, racial progress as interpreted by business achievements, home ownership, thrift, and social advancement is most pronounced.

Banking today is a specialized science, not an experiment, and will be more so after the war when worldwide financial and economic readjustments will challenge the existence of such institutions everywhere.

We commend the Crown Savings Bank for its achievement and its success in winning and maintaining the confidence of its customers and clients during 37 years of public service.

## Journal and Guide Norfolk, Virginia

### Awards Gold Keys, Pins To Senior Staff

**Has Already Sold  
\$300,000 In War  
Bonds and Stamps**

By S. A. HAYNES

NEWPORT NEWS, Va. — The Crown Savings Bank, now in its 37th year, has assets and resources of over \$1,000,000, it was revealed last week at a banquet and testimonial for veteran officers, directors and employees at the Shipyard Community Center.

Dr. Thomas W. Turner, nationally known member of the Hampton Institute faculty, presented gold keys and pins to the following: J. H. Ridley, Sr., executive vice president and director, and only living founder, gold key for 34 years of service; Dr. W. P. Dickerson, president, gold key for 31 years of service.

Also W. E. Mason, vice president and director, gold key for 25 years of service; Jerry W. Binns, vice president

## VIRGINIA

and director, gold key for 24 years of service; J. C. Allen and Lee Harrell, directors, gold keys for 23 years of service each; LeRoy F. Ridley, cashier and director, gold key for 16 years of service.

Richard Montagu, vice president and director, gold key for 12 years of service; Mrs. A. J. Harrington, teller-bookkeeper, gold pin for 11 years of service; Mrs. Clara Parker Atkins, teller, gold pin, for 10 years of service.

Crown Savings Bank is the resultant consolidation with the Sons and Daughters of Peace Bank in 1925.

It now serves nearly 7,000 customers—clients being constituents of all races in the Peninsula area; and is the only institution in the area owned, operated and controlled by Negroes to ever accumulate assets of \$1,000,000.

The bank has sold over \$300,000 in war bonds and stamps. During the first world war it sold Liberty Bonds as agent of the United States Government.